

TENNESSEE GENERAL ASSEMBLY  
FISCAL REVIEW COMMITTEE



**FISCAL NOTE**

**HB 152 - SB 289**

February 10, 2023

**SUMMARY OF BILL:** Creates the *Annual Coverage Assessment Act of 2023*, which extends an annual coverage assessment on hospitals of 4.87 percent of a covered hospital's annual coverage assessment base to FY23-24.

**FISCAL IMPACT:**

**Increase State Revenue – \$603,171,200/FY23-24/**

**Maintenance Coverage Trust Fund**

The Governor's proposed budget for FY23-24, on page A-32, recognizes revenue in the amount of \$622,396,700 in state funds and \$1,161,923,100 in federal funds.

Assumption:

- It is estimated that the 4.87 percent annual coverage assessment on hospital net revenues (as reported to Centers for Medicaid Services) will result in an increase in revenue to the Maintenance of Coverage Trust Fund of \$603,171,231.

**IMPACT TO COMMERCE:**

**Increase Business Expenditures – \$603,171,200/FY23-24**

Assumptions:

- Hospital providers will incur an increase in expenditures in FY23-24 for funding the Act.
- The proposed legislation will not increase the number of hospital providers; therefore, any impact to jobs in Tennessee is estimated to be not significant.

**CERTIFICATION:**

The information contained herein is true and correct to the best of my knowledge.

A handwritten signature in black ink that reads "Krista Lee Carsner". The signature is written in a cursive, flowing style.

Krista Lee Carsner, Executive Director

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